

JUL 29 1980 12 35 PM

ITEL

INTERSTATE COMMERCE COMMISSION

Rail Division

Two Embarcadero Center
San Francisco, California 94111
(415) 955-9090
Telex 34234

July 23, 1980

Ms. Agatha Mergenovich, Secretary
Interstate Commerce Commission
Washington, D.C. 20423

JUL 29 1980

Fee \$ 10.00

ICC Washington, D.C.

RECEIVED
JUL 29 12 31 PM '80
I.C.C.
FEE OPERATION BR.

RE: Itel Corporation
Equipment Trust 1977 Series 2
Equipment Trust Agreement dated as of March 15, 1977

Dear Ms. Mergenovich:

Pursuant to 49 U.S.C. Section 11303 (a) and the Interstate Commerce Commission's rules and regulations thereunder, I enclose herewith, on behalf of Itel Corporation, for filing and recordation, as an additional filing under Recordation No. 8781, three (3) executed counterparts of the following document:

Amendment No. 1 Equipment Trust Agreement Dated as of March 15, 1977, dated as of July 23, 1980, between Itel Corporation and First Security Bank of Utah, N.A., as Trustee.

The names and addresses of the parties to the aforementioned document are:

- (1) Itel Corporation, Rail Division
Two Embarcadero Center, 24th Floor
San Francisco, California 94111
- (2) First Security Bank of Utah, N.A., as Trustee
79 South Main Street
Salt Lake City, Utah 84111

The equipment covered by this enclosed Amendment No. 2 is all the railcars covered by that certain Equipment Trust Agreement Dated as of March 15, 1977, between Itel Corporation and First Security Bank of Utah, N.A., as Trustee.

Enclosed also is a check for \$10.00 for the required recordation fee.

Thank you very much for your attention to this matter.

Sincerely,

Paul Loveday
Paul Loveday
Senior Counsel

Alfred C. Mergenovich

Counterpart

This one
8781-G

Counterpart

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

Paul Loveday
Itel- Rail Division
Two Embarcadero Center
San Francisco, California 94111

Dear **Sir:**

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **7/29/80** at **12:35PM**, and assigned re-recording number(s). **8781-G**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

L-0043
7/24/80

RECORDATION NO. 8781-G
JUL 28 1980 412 AM PM
INTERSTATE COMMERCE COMMISSION

**AMENDMENT NO. 2 TO EQUIPMENT TRUST AGREEMENT
DATED AS OF MARCH 15, 1977**

Amendment No. 2, dated as of July 23, 1980, to that certain Equipment Trust Agreement (hereinafter the "Equipment Trust Agreement"), dated as of March 15, 1977, between **First Security Bank of Utah, N.A.**, as Trustee (hereinafter "Trustee") and **Itel Corporation**, successor to **SSI Rail Corp.**, (hereinafter "Itel").

WHEREAS, the Trustee and Itel are parties to the Equipment Trust Agreement, which was filed and recorded with the Interstate Commerce Commission, pursuant to 49 U.S.C. Section 11303, on April 14, 1977, under recordation number 8781.

WHEREAS, the Trustee has received consent and direction, pursuant to Sections 5.08 and 10.03 of the Equipment Trust Agreement, from certain of the holders of Trust Certificates with respect to the amendment of the Equipment Trust Agreement as follows: and

WHEREAS, the Trustee and Itel desire to amend the Equipment Trust Agreement as follows:

NOW THEREFORE, in consideration of the covenants and promises contained herein and in the Equipment Trust Agreement and pursuant to the consent and direction of certain of the holders of Trust Certificates, the Trustee and Itel hereby amend the Equipment Trust Agreement by the addition of a third paragraph to Section 4.09 thereof as follows:

"Notwithstanding that Itel is in default under this Agreement, Itel need not obtain the prior written consent of the Trustee in order for it to be entitled to possession of the Trust Equipment or to maintain, modify, alter, amend, terminate, or enter into leases of the Trust Equipment and permit the use of the Trust Equipment by any lessee or user so long as Itel complies with the following terms and conditions;

1. No termination of an existing lease as to a particular group of units of Trust Equipment may be effected unless (i) substantitally contemporaneously therewith a new lease for those same units of Trust Equipment is entered into or (ii) the lessee has interfered with Itel's performance of the car hire accounting for the units of Trust Equipment subject to such lease;
2. Itel must supply copies of each new lease or modification, alteration, or amendment of an existing lease to each holder of Trust Certificates within twenty (20) days after such new lease or such modification, alteration, or amendment of an existing lease has been executed by both parties thereto;
3. During any thirty (30) day period, Itel may terminate, modify, alter, or amend (i) leases governing not more than fifty (50) units of Trust Equipment and (ii) all leases of Trust Equipment to the McCloud River Railroad Company;

4. Quarter-annually, Itel shall furnish each holder of Trust Certificates with information, in such detail and form as any such holder may reasonably request, concerning the revenue from and utilization rates under all leases of the Trust Equipment, and how many, if any, of the units of Trust Equipment are not subject to any of such leases;
5. Every new lease and every modified, altered, or amended lease shall contain substantially the following clause:

Lessee's rights shall be subject and subordinate to the rights of any owner or secured party under any financing agreement entered into by Itel in connection with the acquisition of the railcars which are the subject of this lease. Accordingly, following notice to Lessee from any such secured party or owner that an event of default has occurred at any time (including at a time prior to the effective date of this Lease) and is continuing under such financing agreement, such secured party may require either or both that all rent shall be made directly to such secured party and that the railcars immediately be returned to such party.
6. The Trustee shall receive an executed duplicate original of every new lease and every modification, alteration, or amendment to an existing lease promptly after it is duly filed as provided in Section 6.03, which filing shall occur contemporaneously with its execution and delivery by Itel;
7. Each new lease and, where necessary to preserve the security interest of the Trustee, each existing lease modified, altered, or amended, as authorized by this paragraph shall be assigned to the Trustee pursuant to an assignment substantially in the form of a Lease Agreement and shall be duly filed as provided in Section 6.03, which assignment and filing shall occur contemporaneously with the execution of each new lease or each modification, alteration, or amendment of an existing lease, and the Trustee shall receive an executed duplicate original of each such Lease Assignment promptly after such filing;
8. The Trustee shall receive the opinion of counsel referred to in Section 6.03 of this Agreement, in form and substance satisfactory to the Trustee;
9. Concurrently with the delivery to the Trustee of the documents referred to in subparagraph 6 and 7 of this paragraph, Itel shall represent in writing to the Trustee that it has not made any representation to the Lessee inconsistent with the subordination provisions referred to in subparagraph 5 of this paragraph;
10. Itel shall not without prior written consent of holders of at least a majority in aggregate unpaid principal amount of the Trust Certificates enter into any lease or car contract relating to the use of Trust Equipment with any lessee or user which is not a company duly incorporated under the laws of the United States or any State thereof;

11. Not more than ten percent (10%) of the units of Trust Equipment shall be used or located at any one time in the Dominion of Canada or any Providence or Territory thereof and/or in the Republic of Mexico;

provided, however, that this paragraph shall cease to have any effect upon notification to Itel by the Trustee that the holders of greater than thirty-three and one-third percent (33-1/3%) of the aggregate unpaid principal amount of Trust Certificates have notified the Trustee in writing that they have determined in their sole discretion that this paragraph shall no longer continue in effect."

Except as hereinabove specifically set forth, the Equipment Trust Agreement shall remain in full force and effect as when executed.

The provisions of this Amendment No. 2, and all rights and obligations of the parties hereunder, shall be governed by the laws of the State of New York.

FIRST SECURITY BANK OF UTAH, N.A.

ATTEST:

By


Authorized Officer


Authorized Officer

ITEL CORPORATION

ATTEST:

By


Authorized Officer


Authorized Officer

STATE OF CALIFORNIA

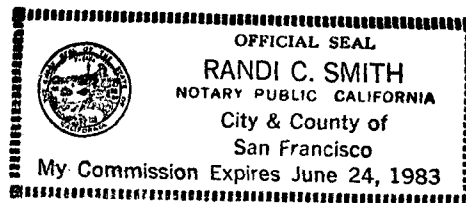
COUNTY OF SAN FRANCISCO

)
) ss:
)

On this 24th day of July, 1980, before me personally appeared Carl N. Taylor to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of ITEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its By-Laws and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation

Randi C. Smith
Notary Public

My Commission Expires



STATE OF UTAH

COUNTY OF Salt Lake

)
) ss:
)

On this 28th day of July, 1980, before me personally appeared Robert S. Clark, to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY BANK OF UTAH, N.A., a national banking association, that one of the seals affixed to the foregoing instrument is the seal of said national banking association and that said instrument was signed and sealed on behalf of said national banking association by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national banking association.



Casey H. Knobel
Notary Public

My Commission Expires

7/17/82